



32A7 11/13/04 \$1,751.00 ✓

OFFICE OF  
INSURANCE COMMISSIONER

In the Matter of )

No. D06-271

AMERICAN SECURITY )  
INSURANCE COMPANY, )

CONSENT ORDER  
IMPOSING A FINE

An Authorized Insurer )  
\_\_\_\_\_ )

Findings of Fact:

1. American Security Insurance Company ("American Security") is authorized to conduct insurance business in Washington State. It issues property, casualty, marine transportation, surety and vehicle insurance.
2. Revised Code of Washington § 48.05.073 requires every insurer to file its financial statements with the Office of the Insurance Commissioner ("OIC") as required by the insurance code and the commissioner in accordance with the *National Association of Insurance Commissioners' Quarterly and Annual Statement Filing Instructions*.
3. American Security completed filing its calendar year 2004 Annual Statement and 2004 April Supplemental filings on April 21, 2005.
4. To date, American Security has failed to file its calendar year 2005 Audited Financial Statements with the OIC.

Conclusions of Law:

1. American Security's failure to timely file its calendar year 2004 Annual Statement, 2004 April Supplemental filings, and calendar year 2005 Audited Financial Statements constitutes three violations of RCW 48.05.250.
2. RCW 48.05.185 authorizes the Commissioner to impose a fine in lieu of or in addition to the suspension or revocation of an insurer's certificate of authority.

Consent to Order:

American Security consents to the following, in order to resolve this matter without further legal or administrative proceedings. The Insurance Commissioner consents to resolve this matter in consideration of the insurer's payment of a fine as set forth below.

1. American Security consents to the entry of the foregoing Findings of Fact and Conclusions of Law, and acknowledges its duty to comply fully with all applicable laws and



regulations of the State of Washington. It waives further administrative or legal challenge to the actions taken by the Insurance Commissioner related to the subject matter of this Order.

2. Within thirty days of the entry of this Order, American Security will pay to the Insurance Commissioner a fine in the amount of \$1,750 (one thousand seven hundred fifty dollars).

3. Failure to pay the fine in full within thirty days of the entry of this order will constitute grounds for revocation of the certificate of authority held by American Security in Washington State. It will also result in a civil action being brought by the Attorney General on behalf of the Insurance Commissioner, to recover the fine.

Executed this 3<sup>rd</sup> day of October, 2006.

AMERICAN SECURITY INSURANCE COMPANY

By: 

Printed Name: RUSSELL G. KIRSCH

Printed Corporate Title: SVP, REGULATORY ADMINISTRATION

Pursuant to the foregoing Findings of Fact, Conclusions of Law, and Consent to Order, the Insurance Commissioner orders as follows:

Order:

1. American Security Insurance Company is ordered to pay, within thirty days of the entry of this order, a fine in the amount of \$1,750 (one thousand seven hundred fifty dollars).

2. Failure to pay the fine timely and in full will constitute grounds for revocation of the certificate of authority held by the insurer in Washington State. It will also result in a civil action being brought by the Attorney General on behalf of the Insurance Commissioner, to recover the fine.

Executed this 15<sup>th</sup> day of November, 2006

MIKE KREIDLER  
Insurance Commissioner

By: 

**Marcia G. Stickler**  
Legal Affairs Division